



UNITED STATES DEPARTMENT OF COMMERCE  
Chief Financial Officer  
Assistant Secretary for Administration  
Washington, D.C. 20230

September 13, 2001

**PROCUREMENT MEMORANDUM 2001-03**

**ACTION**

MEMORANDUM FOR HEADS OF CONTRACTING OFFICES

FROM Michael S. Sade   
Director for Acquisition Management and  
Procurement Executive

SUBJECT: Importance of Information Technology Security to Acquisition

On July 27, 2001, the Secretary issued a memorandum emphasizing the importance of dedicating resources to assure data and information technology (IT) systems are adequately protected against risks of loss, misuse, or unauthorized access.

In FY 2000, Commerce obligated \$703 million for information technology--the largest single area of contract expenditure. Given the Department's information mission, the potential for security risks and exposure is significant. Under the leadership of the Chief Information Officer, the Department is working with the operating units to improve IT security overall.

Acquisition professionals can provide a valuable service by ensuring that our customers work with their Chief Information Officer (CIO) shops to address security in their IT contract requirements. Failure to adequately address security can jeopardize mission success and undermine public confidence.

You can help the Department meet this critical program need by asking about IT security. IT security is an integral part of a requirement at all stages of the acquisition including budget and acquisition planning, approval process, requirement development, source selection, and contract administration.

I want to emphasize that contracting officers can provide a valuable service bringing customers together with their CIO and Security representatives as early as possible in the process to help identify and mitigate IT contract security issues.

For further information see the attached Acquisition Security Fact Sheet, or contact Nancy Barrere at [Nbarrere@doc.gov](mailto:Nbarrere@doc.gov) in OAM or Mike Lombard, the Department's IT Security Program Manager, at [mlombard@doc.gov](mailto:mlombard@doc.gov).

Attachment

cc: O. Wolff, CFO/AS for Administration  
T. Pyke, Acting Chief Information Officer  
D. Holmes, DAS for Security  
J. Walz, OGC, Contract Law Division

### **Acquisition Security Fact Sheet**

**FAR Part 39** - Requires incorporation of the clause at 52.239-1, Privacy or Security Safeguards, for IT acquisitions which require security of information technology and/or are for the design, development, or operation of a system or records using commercial IT services or support services.

<http://www.arnet.gov/far/>

**Commerce Acquisition Manual, Part 37, Section 70** (Security Processing Requirements for On-Site Security Requirements)- Requires the customer to work with their security office before a solicitation is released to designate contract risk levels and then after award to arrange background investigations on contractor employees. (This applies to all requirements, not just IT requirements).

<http://oamweb.osc.doc.gov/app/cam.htm>

**The following resources address IT security and may be helpful to you and your customers:**

1. The CIO's IT Security Program site, which includes applicable Departmental policy, OMB guidance, relevant legislation, and more, at <http://www.doc.gov/cio/oipr/ITSec/ITSECDOC1.HTML>

2. The CIO's list of DOC Chief Information Officers at <http://www.doc.gov/cio/DOCCIOMEMBERS.htm>

3. The CIO's list of Information Technology Security Officers at <http://www.doc.gov/cio/oipr/ITSec/ITSO%20LIST%20LINK.htm>